THE HONOURABLE SRI JUSTICE N.V.RAMANA

Writ Petition No.15171 of 2007

Dated:09.08.2007

Between:

C.S.Sastry.

.....PETITIONER

AND

The Chairman and Managing Director,
United India Insurance Company Ltd.,
Registered Head Office 24, Whites Road,
Chennai and others.

....RESPONDENTS

THE HONOURABLE SRI JUSTICE N.V.RAMANA

W.P. No. 15171 of 2007

ORDER:

Questioning the memorandum of charges dated 16.02.2007 issued by the respondents, the present writ petition is filed.

2. The petitioner is working as Assistant Manager in the respondent-Insurance Company. While working as such, the respondent-Company has issued charge memo dated 22.10.2001 to him on the ground of misconduct. Thereafter, the CBI has taken up the investigation in the crime registered against him and others, and after thorough investigation, even though the petitioner was exonerated of the charges levelled against him and the FIR registered against him was closed by the CBI Court, Visakhapatnam, he was denied the promotion. Hence, he filed W.P. No. 3752 of 2007 assailing the action of the respondents in denying him promotion. The petitioner states that in the said writ petition, interim order was also granted. While so, the respondent-company has initiated departmental action against the petitioner after lapse of eight years with regard to the alleged irregularity occurred in the year 1999, and issued impugned memorandum of charges. Questioning the said charges, the petitioner filed the present writ petition.

3. The contention of the learned counsel for the petitioner is that since the petitioner was exonerated of the charges leveled against him and the FIR, registered against him was also closed by the designated CBI Court, Visakhapatnam, there is no need to initiate any disciplinary proceedings against the petitioner after lapse of eight long years, and more particularly when the petitioner has nothing to do with the allegations made in the impugned

memorandum of charges.

4. On the other hand, the learned Standing Counsel for the respondent-Company submits that the irregularities committed by the petitioner are in gross violation of the company guidelines, and as the company suffered huge loss, the respondents initiated disciplinary action against the petitioner.

5. Heard the learned counsel for the petitioner and the learned Standing Counsel for respondent-Insurance Company and perused the impugned memorandum of charges.

6. While admitting the writ petition, this Court directed the learned Standing Counsel for the respondent-Company to produce the investigation report of the CBI and the final order passed by the CBI. As directed, the learned Standing Counsel produced the copy of the final report. A perusal of the report and the final order passed by the CBI Court clearly indicates that even though the CBI investigated against four accused, three of them are the employees of the respondent Company and another is a power Corporation. The report of the CBI discloses that the negligent act of accused is sufficient to initiate regular departmental action and therefore, regular departmental action for Major Penalty is recommended against A2 and A3 and only since A1 is dismissed from United India Insurance Company. In view of the said statement of the CBI Officer, the respondent-Company initiated departmental proceedings against the petitioner, who is accused No.2, and in view of that no fault can be found with the action of the respondents in seeking to initiate departmental proceedings, and more so when it is settled law that criminal proceedings and departmental proceedings, are distinct and different – the former being initiated for criminal offences under the IPC and other penal

laws and the latter being for administrative lapses under the Service Regulations.

7. Hence, the Writ Petition is devoid of merit and the same is dismissed. No costs.

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N.V. RAMANA, J.

Dated:09.08.2007

sj